



STATE BOARD OF EQUALIZATION

May 4, 1955

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Gentlemen:

You inquire concerning the application of tax to your sales of lima bean straw to the operator of a buffalo ranch. The straw is to be fed to the buffalo.

The buyer is building a herd of buffalo. Eventually he will have two sources of income from the buffalo. He will charge the general public a fee for the privilege of driving among the herd. He will also sell buffalo meat to specialty restaurants. You state that he has successfully operated a similar enterprise in Kansas and has definitely established regular outlets for the meat.

Ruling 47 (copy enclosed) exempts a sale of feed for any form of animal life the products of which ordinarily constitute food for human consumption. It is our opinion that the buffalo raised by your customer should be regarded as animals the products of which constitute food for human consumption. Accordingly, your sales are not subject to tax.

Very truly yours,

Bill Holden
Associate Tax Counsel

BH:tj
Enclosure: Ruling 47

cc: San Bernardino – Auditing